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COMMISSIONERS

BOB STUMP, Chairman GARY PIERCE BRENDA BURNS BOB BURNS SUSAN BITTER SMITH RECEIVED

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. CORP **COMMISSI**ON DOCKET CONTROL Arizona Corporation Commission DOCKETED

MAR 1 7 2014



IN THE MATTER OF THE APPLICATION OF COPPER VALLEY TELEPHONE, INC., AN ARIZONA CORPORATION, FOR A HEARING TO DETERMINE THE EARNINGS OF THE COMPANY, THE FAIR VALUE OF THE COMPANY FOR RATEMAKING PURPOSES, AND TO INCREASE RESIDENTIAL RATES AS NECESSARY TO COMPENSATE FOR THE

RATE IMPACTS OF THE FCC'S USF/ICC

TRANSFORMATION ORDER

DOCKET NO. T-02727A-13-0458

RESPONSE TO STAFF REQUEST TO SUSPEND PROCEDURAL SCHEDULE

ORIGINAL

Copper Valley Telephone, Inc., ("Copper Valley") hereby responds to Staff's Request for a Suspension of the Procedural Schedule, filed on March 14, 2014.

Copper Valley greatly appreciates Staff's consideration and cooperation in working out a streamlined process for Arizona's small telephone companies to deal with the potentially catastrophic loss of federal high-cost-loop support as a result of the FCC's Transformation Order. Copper Valley understands that there has been a motion filed with the FCC that could mean, if granted, that the FCC will delay setting a benchmark rate floor and requiring compliance therewith by June 1, 2014. However, there is no certainty that the FCC will grant any relief. The FCC could still soon set the benchmark and require Copper Valley to raise rates to that level or face dollar-for-dollar losses of federal funding.

For these reasons, Copper Valley can only support Staff's request based on an understanding that, if the FCC does require compliance with a new benchmark by June 1 or shortly thereafter, Staff will work with the affected companies and Hearing Division to resume the hearings as expeditiously as necessary so as to avoid any potential loss of federal funds.

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Respectfully submitted on March 17, 2014.

Crais G. Mark

Craig A. Marks

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Original and 13 copies **filed** on March 17, 2014, with:

Docket Control Arizona Corporation Commission 1200 West Washington Phoenix, Arizona 85007